

TOP SECRET

SECRET

CONFIDENTIAL

## CIA OPERATIONS CENTER

## NEWS ANALYSIS SERVICE

Ref. No. \_\_\_\_\_

STAT

DISTRIBUTION I

111R905

R F6666)11YCCZCHYD

11ENERGY - CARSE

11BY BOB HORTON

WASHINGTON, APRIL 22, REUTER - GOVERNMENT FUEL ECONOMY STANDARDS FOR CARS MAY BE TOO LENIENT IF A CENTRAL INTELLIGENCE AGENCY REPORT RELEASED THIS WEEK IS CORRECT IN ITS PROJECTIONS ABOUT FUTURE OIL SHORTAGES, A LEADING CONGRESSMAN SAID TODAY. MICHIGAN DEMOCRAT JOHN DINGELL, CHAIRMAN OF THE HOUSE OF REPRESENTATIVES' ENERGY SUBCOMMITTEE, SAID HIS PANEL WOULD QUESTION CIA DIRECTOR STANFIELD TURNER ON MONDAY ON THE BASIS OF CIA PROJECTION.

THE CIA STUDY SAID INCREASING WORLD DEMAND AND STAGNATING OIL PRODUCTION BETWEEN 1979 AND 1985 WOULD MAKE MAJOR CONSUMING COUNTRIES EVEN MORE RELIANT ON THE ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES (OPEC).

DURING THIS PERIOD, GOVERNMENT STANDARDS THAT HAVE ALREADY BEEN SET WOULD REQUIRE AMERICAN CAR MANUFACTURERS TO BOOST THE MILES-PER-GALLON AVERAGES FOR THEIR CARS OR FACE PENALTIES.

BEGINNING WITH 1978 MODELS WHICH GO ON THE MARKET LATER THIS YEAR, CARS MUST AVERAGE 18 MILES PER U.S. GALLON (MPG) OF PETROL. THE GOAL FOR 1985 MODELS IS 27.5 MPG.

*Comment:*

*These comments represent the initial and tentative reaction of the CIA Operations Center and of the appropriate analytic component in the Agency.*